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SUBJECT: MACAU'S MIDDLE CLASS MOVES TO STAKE OUT THE MIDDLE
GROUND

Classified By: Consul General Joe Donovan for Reasons 1.4 (b) and (d)

¶1. (C) Summary and Comment: Newly-emergent political coalition Civic Power seeks to represent Macau's formerly silent middle class by staking out a position between the SAR's marginal democratic movement and the traditional, pro-establishment social organizations that dominate SAR politics. The group is still finding its feet, and does not expect to field candidates in the 2009 Legislative Assembly (LA) elections, but hopes to use media and seminars to gain influence. Democratic activists fear the group may be co-opted by the government as a means of further pushing them to the margins. Civic Power is a healthy indicator that Macau is beginning to develop a modern civil society. The emerging dichotomy of a more activist Macau university student population on the one hand and a rapidly growing number of Macau graduates of Mainland universities who return more politically conservative, however, will impact this development. End summary and comment.

Macau's Social Landscape

¶2. (SBU) We spoke with Civic Power founder Agnes Lam Iok-fong, a Macau University journalism professor and media commentator, about issues including the state of Macau civil society November 6. We also discussed civil society and the prospects for Civic Power with University of Macau Public Administration Professors Eilo Yu Wing-yat and Liu Bolong November 6, and democratic legislator and New Macau Association Chief Member Au Kam-san November 7.

¶3. (C) Macau never really had a middle class in the past, Lam contends, because university graduates either went into the civil service or went to work in the casinos. Only in recent years has the economy developed and diversified sufficiently to produce enough young professionals, scholars and others to represent a distinct social strata. Our contacts told us this middle class is now beginning to find its political voice. Yu in particular told us that traditionally conservative Macau society was becoming more tolerant of politically-oriented organizations, and that advocacy groups independent of the government were appearing. Although our contacts report the middle class tends to prefer the anonymity of radio and television call-in programs to published letters or statements, media have covered protest marches this year by teachers and government civil servants over wages and other workplace issues. All that said, Liu notes, the middle class comprises only 20-30,000 people among Macau's half-million or so people, or less than ten percent of the population. From the democratic camp, legislator Au Kam-san expressed some bemusement about this assertion of a class distinction between Civic Power and the democracy movement. Although the movement is active on a number of labor and grass-roots issues, Au told us he and fellow New Macau Association leader Antonio Ng both come from middle-class backgrounds.

14. (C) Overseas university education has affected the outlook of the middle class. According to Liu, in years past, about a third of Macau's university graduates got their degrees from Taiwan Universities. (Note: Although Macau now has several universities, ambitious students unable to study in the West have traditionally favored Hong Kong and Taiwan universities. End note.) Exposure to Taiwan's democratic development significantly shaped their thinking, he said. This group is now of an age to participate in organizations like Civic Power. Yu and Liu both reported that students in Macau's own universities were becoming more politically active through on-line fora, although Liu was unsure as to whether the students would participate in public events. That said, Macau students can now attend elite universities on the Mainland without having to take China's unified university entrance exam, and for far less in fees than a similar education in Taiwan. Liu argues these younger graduates are more politically conservative and pro-Beijing on their return. (On the other hand, Liu told us about ten percent of the University of Macau's student body are Mainlanders, and he sees exposure to Macau's more open society transforming many of these students' thinking.)

15. (C) This emerging middle class society will be competing politically with an entrenched but aging range of traditional associations, which are both the government's traditional base of support and almost entirely dependent on government funding. These groups include Chinese business associations, traditional labor unions, neighborhood organizations and womens groups. Lam contends these groups were pro-Beijing and anti-Portuguese rule, but had seats at the table when

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public policy decisions were made even before the 1999 handover. These organizations have (belatedly) realized that they need to campaign effectively to win seats in the narrow Macau franchise (under the Basic Law, twelve LA members are directly elected, ten are elected by four committees drawn from these traditional groups, and seven are appointed by the Chief Executive). Despite extensive grass-roots organizations, producing some success at the ballot box, our contacts said their influence is waning with the aging of their memberships and the growing political engagement of the middle class.

Civic Power

16. (C) Lam told the South China Morning Post that preparatory work for Civic Power began in 2006, but she told us the organization as such has only existed for "a month". She described Civic Power as a coalition of scholars, civil servants, professionals, NGO members and artists. The group seeks to occupy a middle ground between the established groups mentioned above and Macau's small democratic movement.

As for elections, Lam fears that the 2009 LA elections are too soon for Civic Power to be prepared, while the 2013 elections may be too far off to maintain momentum. Lam, active herself as a columnist and media commentator, told us Civic Power will keep its initial focus on public exposure through media events and seminars. That said, she is also aware that grass-roots work is essential in Macau's political environment, and thus something Civic Power would need to address to become viable as a political party.

17. (C) Politically, Lam was critical of the traditional organizations, yet described the democrats as "the wrong people saying the right things." While she supports political reform, Lam contends that, since the democrats came into being as a reaction to the June 4 events in Beijing, they carry a burden of being "anti-government" and "anti-Beijing". The democrats have been prudent, she believes, in toning down ideological rhetoric in favor of addressing grass roots concerns such as the middle-class

livelihood concerns mentioned above, but she herself still prefers a more middle-ground position. From his side, democratic legislator Au Kam-sam was wary that the government might seek to co-opt Civic Power to marginalize the democrats. While he could point to nothing to suggest that Civic Power was interested in government support, he noted the scarcity of funding sources in Macau for civil society, suggesting Civic Power might one day find a government subsidy attractive. (Note: We did not discuss funding issues with Lam. End note.)
DONOVAN